

SENATE BILL 2344
By Williams

AN ACT to authorize Jefferson County to levy and collect a privilege tax on new residential development in the County in order to provide that new residential development contribute its fair share of the cost of providing public facilities and services made necessary by such development.

WHEREAS, Jefferson County, Tennessee, is experiencing considerable growth in population and need for services and public facilities; and,

WHEREAS, Jefferson County is in need of additional revenue with which to fund its capital improvement program to meet the needs of its growing citizenry; and

WHEREAS, a privilege tax on new development is a fair and equitable way to raise funds to meet the demand for additional public facilities; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. This act shall be known and may be cited as the "Jefferson County Development Tax".

SECTION 2. As used in this act, unless the context clearly requires otherwise:

(1) "Approved plat" means any plat, plan, plot, re-plot or re-plat approved by the Jefferson County planning commission where the same creates additional lots for residential development.

(2) "Building permit" means a permit for single or multi-family construction issued in Jefferson County, whether by the county or by any city therein.

(3) "Compliance Officer" means the person designated by resolution of the governing body of Jefferson County, who shall be responsible for issuing building permits, enforcing compliance with this resolution, and collecting tax monies.

(4) "Residential land development" means the development of any property for a dwelling unit or units, including, but not limited to, single or multi-family housing.

SECTION 3. It is the intent and purpose of this act to impose a tax on new residential land development in Jefferson County, with the tax being payable prior to the recordation of an approved plat in the register of deeds office, thus ensuring and requiring the persons responsible for new development share in the burdens of growth by paying their fair share for the costs of new and expanded public facilities made necessary by such development.

SECTION 4. Engaging in the act of land development for residential purposes within Jefferson County, is declared to be a privilege upon which Jefferson County may levy a tax at the rate set forth in Section 6.

SECTION 5. The governing body of Jefferson County, Tennessee, may, by resolution, adopt administrative guidelines, procedures, regulations and forms necessary to properly implement, administer and enforce the provisions of this act.

SECTION 6. For the exercise of the privilege described herein, Jefferson County imposes a tax in the amount of seven hundred and fifty dollars (\$750) per approved plat for the subdivision of land for the purpose of residential development plus a tax of five hundred dollars (\$500) for each lot approved in the planned subdivision.

SECTION 7. The revenue from this tax shall be collected by the Compliance Officer with the proceeds from the tax deposited with the county trustee and used exclusively for capital improvements or capital projects, including, but not limited to, debt service related to such improvements and/or projects, in the general fund, school fund, special revenue funds, debt service funds, or other capital project funds as designated by resolution of the Board of County Commissioners of Jefferson County

SECTION 8. If a building permit is issued by a municipality within Jefferson County, the municipality shall, before the issuance of a building permit, require evidence by a valid certificate executed by the appropriate officials of Jefferson County, Tennessee, that the full amount of the tax due the county has been paid. The issuance of a building permit by any municipal official, without the appropriate certificate from the county indicating the tax has been paid, shall render the city liable to the county for the sum or sums that would have been collected by the county had the certificate of tax paid been required by the municipality.

SECTION 9. The authority to impose this privilege tax on new development in Jefferson County is in addition to any other authority to impose taxes, fees, assessments or other revenue raising or land development regulatory measures granted either by the private or public acts of the State of Tennessee, and the imposition of the tax is in addition to any other authorized tax, fee, assessment or charge and shall not be deemed to constitute double taxation.

SECTION 10. Jefferson County shall not be required to share any revenues generated in accordance with the provisions of this act with any municipality lying within the county.

SECTION 11. The provisions of this act shall in no manner repeal, modify or interfere with the authority granted by any other public or private law applicable to Jefferson County. This act shall be deemed to create an additional method for Jefferson County to impose and collect taxes for the purpose of providing public facilities.

SECTION 12. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 13. This act shall have no effect unless it is approved by a two-thirds (2/3) vote of the legislative body of Jefferson County. Its approval or nonapproval shall be proclaimed by the presiding officer of the county legislative body and certified to the Secretary of State.

SECTION 14. For the purpose of approving or rejecting the provisions of this act, it shall be effective upon becoming a law, the public welfare requiring it. For all other purposes, it shall become effective upon being approved as provided in Section 13.